

arg.

• The Argentine chairman of the World Chess Olympiad organizing committee, Rodolfo Zanolungo, has escaped from kidnapers who snatched him in Buenos Aires Oct. 11, according to police.

Argentine Describes

'Excruciating' Pain of Torture

By Charles A. Krause

Washington Post Foreign Service

BUENOS AIRES—Three men in the fall of 1977 entered my place of work, showed police identification, said I was wanted for questioning and escorted me outside to a run-down automobile.

My hands were handcuffed behind my back, but my treatment was correct as long as the vehicle was in the city. However, after we crossed the bridge into the province of Buenos Aires, the automobile pulled off into a side street.

I was taken out of the car, punched and then blindfolded by the three men. The men discussed among themselves whether to kill me. One suggested that kerosene would be better as it disguised the body smell better.

They again punched me and finally one man stated that they couldn't kill me. I had to confess first.

Thus begins one man's account of his brutal and inhuman experience with Argentina's military security forces, his 11 days of torture and his more than 12 months' captivity as a political prisoner. The Argentine government never offered public evidence of terrorist activity or illegal political involvement against this man. Nor, he says, was he ever charged with any crime.

The experience is not atypical. Although somewhat improved over the last year, Argentina still ranks among the world's leading human rights offenders.

The Carter administration has been trying to persuade the government to end the extralegal arrests and other serious abuses that continue on an almost daily basis. But U.S. policy has been a combination of carrot and stick and there are questions about how well it is working.

Many Argentines support the anti-terrorist war waged by the military since it returned to power in 1976. At that time, the country was teetering toward chaos and the government faced two urban guerrilla groups that had carried out spectacular kidnappings and political murders on a scale surpassing even those of Italy's Red Brigades.

But the tactics of the campaign—disappearances, torture, thousands of political prisoners, and alleged summary executions—have deeply troubled human rights groups such as Amnesty International, and democratic governments in the Western Hemisphere and Western Europe.

The story of one man's suffering in the antiterrorist excesses is all the

more chilling because of the dry, factual way he tells it, in a taped conversation with Western diplomats who made the transcript available. The transcript also is known to be in the possession of the U.S. government.

While it would be impossible to verify all the man said, there is no reason to believe he has fabricated it. The details are consistent with hundreds of other such statements given to Amnesty International and diplomats in Buenos Aires by persons held and later released from the 16 jails in Argentina where political prisoners are said to be held.

These are stories from prisoners who made it back, but the Permanent Assembly for Human Rights, Argentina's most prominent human rights group, has documented the cases of 3,211 persons who disappeared and never again were seen by their families. The assembly and Amnesty International estimate that, in all, 15,000 Argentines have disappeared, a figure with which most diplomatic sources agree.

The government has admitted holding another 5,500 prisoners under PEN, a law that allows the government to hold persons suspected of illegal political activity for indefinite periods without charges or trial.

The man interviewed by the diplomats said he was taken to a prison several hours' drive outside Buenos Aires. He went on:

"After a period of time, the car stopped. A new voice gave orders to my abductors on where to take me. I was stripped naked and my jewelry and briefcase were taken. A hood was placed over my head.

"Shortly after being stripped, I was spread-eagled on a table. My hood was removed. Before any questions were asked, a four-pronged electric prod was run over my chest from my neck to my waist, like a rake. It was excruciatingly painful. At the start of this session and all following torture sessions, I was addressed with mocking courtesy as *estimado* (distinguished one).

"After the first round of torture ended, I was so full of electricity that my jaws and tongue were paralyzed. I was allowed to rest between rounds until I regained some use of my jaws and tongue. A second round of applications began.

"At this point, I was unable to communicate. I had no use of my jaw muscles and tongue. Again, the same questions were repeated. I was incapable of replying. During this round I was given an injection I believe was some sort of cardiovascular stimulant

to enable me physically to endure continued electric shock treatment.

"At the conclusion of the last round, I was put in the back of a van with a man and a woman who I believe were dead. I saw through my blindfold a part of a woman's face which was beaten bloody. I was taken to a second place of detention. I alone was taken out of the van.

"When I entered [the new prison] a hood was placed over my head. After some time I was taken into a room and subjected to a torture called 'The bucket.' My feet were forced into a bucket of ice for five or six minutes. After this time had passed, one of my torturers, as if to be nice, said to the others: let me take my feet out.

"But my feet were then jammed into another pail containing boiling hot water. The pain was intense. After several minutes, my feet were again placed back into the bucket of ice water and the questioning began. I was subjected to four cold-hot cycles.

"I was then carried, as I could not walk and placed on the wooden floor of a small cell. Up a staircase, a friendly voice consoled me that it was only a few steps more. I then slept for an unknown period.

"Some time later, I was taken from my cell and brought into a room where there were other prisoners. I was told to grab the other prisoners' hands and they formed a circle. Suddenly electricity was passed through the entire group.

"While I was held in this communal torture room, a woman was raped in the midst of the other prisoners. A prisoner shouted that the woman being raped was his friend, and went berserk and attacked the guards. He was severely beaten. Suddenly a muffled shot was heard. I believe the man was killed in the room.

"The account goes on to detail other tortures to which its author says he was subjected. He says he was beaten, forced to watch other prisoners being executed, and subjected to the infamous "submarine," where a man or woman is held under water just to the point of drowning before being allowed to come up for air. This is repeated five or six times and, each time, the prisoner is told that if he does not answer the questions asked of him, he will be held in the water until death.

At the end of his torture sessions, the man says he was brought back to Buenos Aires. He was told that if I

talked of what happened to me, I would be found to have committed suicide. I was then put in a cell with a hangman's noose hung from a pipe and left there.

A PEN decree was issued for my imprisonment. I remained incarcerated for close to a year.

In a sense, the man was lucky. He survived his torture and was eventually released. This fact tends to support his contention that he never engaged in terrorist or illegal political activity—because usually only those the military decides have done nothing wrong are released.

Although the number of Argentines who disappear—either for a few days or forever—has dropped substantially over the past year, the number of reported disappearances still averages about 20 a month. The Permanent Assembly estimates that the number of reported cases is only about one-fifth the actual number.

Sources within the government fully admit that many of those who are taken away are taken by antiterrorist military units set up even before the 1976 coup. These sources say that President Jorge Videla and other high military officials are trying to bring the situation under control.

But there are said to be hard-liners within the military who disagree with changing their way of operating, and who still have enough power to carry out political kidnappings and torture when they believe it warranted.

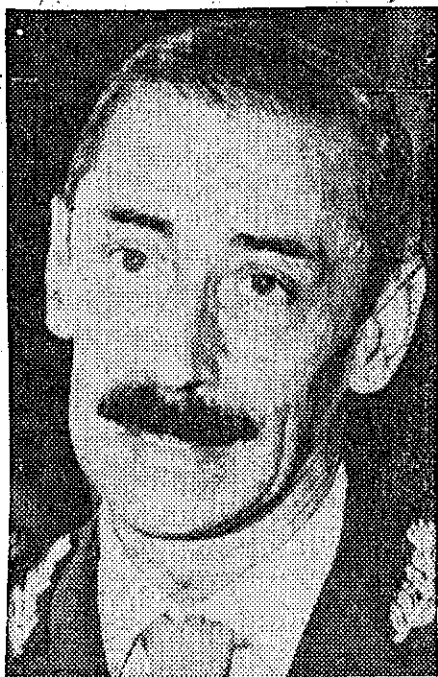
Despite the efforts to sharply reduce and eventually end the political kidnappings, all factions of the military here close ranks when it comes to foreign criticism and what they perceive as undue foreign pressure. They believe their critics do not understand the scope and seriousness of the threat posed by urban guerrillas here after 1974.

The urban terrorists have, in fact, kidnapped, wounded and killed many hundreds of Argentines over the last four years. The military came to power determined to end this threat with whatever means it considered necessary. However, many observers believe that thousands of innocent people were swept up in the antiterrorism campaign. Videla has publicly admitted that there may have been "excesses."

In many ways, the Argentines copied the methods of the Chilean military government that came to power in 1973.

But the situation in Chile has improved. Only one disappearance has been reported this year. There have been only 30 reported cases of torture and the number of political prisoners has been reduced to 120, according to the International Committee of the Red Cross.

The Vicariate of Solidarity, the Catholic Church's official human rights group in Santiago, says 650 persons have disappeared since the Chilean coup, a number that, while substantial, in no way compares to the number of those said to have disappeared in Argentina.



JORGE VIDELA
admits 'excesses'

'After the first round of torture ended, I was so full of electricity that my jaws and tongue were paralyzed. I was allowed to rest . . . A second round . . . began.'

Argentine Official Missing for 2 Days

From News Services

BUENOS AIRES — A government official in charge of the 73-nation Chess Olympics scheduled here next week has been missing for two days, police reported yesterday. His wife said he was kidnaped.

Rodolfo Eduardo Zanlungo, 48, disappeared after he entered a car with two men in downtown Buenos Aires, a police announcement said. It added that Zanlungo had received threats from opponents of Argentina's military government who demanded that the Chess Olympics be canceled.

arg



DEPARTMENT OF STATE
ACTION MEMORANDUM

S/S

EB
7820440

~~CONFIDENTIAL~~

OCT 19 1978

DF

TO: D - Mr. Christopher

THROUGH: P - David D. Newsom
E - Richard N. Cooper
T - Lucy Wilson Benson

FROM: EB - Julius L. Katz
ARA - Viron P. Vaky
HA - Patricia M. Derian

SUBJECT: Non-Munitions List Exports to Argentina

ISSUE FOR DECISION

Whether to release pending applications for Commerce Export Licenses to the Argentine police and military.

ESSENTIAL FACTORS

On August 25 you asked us which of the pending applications for Commerce Export Licenses to Argentina could be approved, additional to the safety related items submitted earlier on August 14.

This memorandum reviews all the pending cases for your decision. A separate memorandum will address the issue of whether the Department's review of applications for Commerce Export Licenses should be restricted to certain sensitive areas and which type of exports requiring a Commerce License should be considered sensitive.

Attachments:

- 1 - Pending Commerce Cases Lists with Recommendations.
- 2 - Bureau Justifications.

Drafted: ARA/ECA:CWRuser/EB/ITP/EWT:DFried:mb
10/17/1978 x20913 x20657
Concurrence: S/P-JWalker

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

PENDING COMMERCE CASES ADDITIONAL TO THOSE PRESENTED
FOR DECISION IN THE AUGUST 14 MEMORANDUM, WITH BUREAU
RECOMMENDATIONS

Bureaus' views are indicated on each of the 16 cases listed.

Computers and computer-related equipment:

-- Computerized plotter and other computer peripherals
for map-making by Naval Hydrographic office;

Approve (EB) ☒ Defer (ARA, S/P, HA) _____

-- Programmable calculator for map-making by the Military
Geographical Institute;

Approve (EB) ☒ Defer (ARA, S/P, HA) _____

-- Airborne Scanning Device operated by the Air Force for
civil authorities dealing with natural resources, agricultural
development, air and water pollution, etc.;

Approve (EB) ☒ Defer (ARA, S/P, HA) _____

-- Computer with plotter to be used by the Armed Forces
Scientific and Technical Institute (CITEFA) for programs
in applied chemistry, lasers, solid state physics, applied
and micro electronics, and structures. Civilian application
includes electronic circuitry development, metallurgy, commu-
nication systems, and health products. One such health
project, development of insecticide to control triotoma
infestans, is funded by the U.S. National Institutes of Health.
Military applications include development of rocket and missile
structures, guidance systems, propellants, and communication
systems. The Argentine purchaser has told us that all military
applications will be "solely related to external defense."

Approve (EB) ☒ Defer (ARA, S/P) _____
Disapprove (HA) _____

~~CONFIDENTIAL~~
GDS

~~CONFIDENTIAL~~

- 2 -

*This memo
went forward
without M/CT
clearance.*

-- Computer peripheral (a secondary storage system) for use by CITEFA in its computer manufacture.

Approve (EB) ✓ Defer (ARA, S/P) _____
Disapprove (HA) _____

-- A \$5 million IBM 3032 computer for the Navy. The computer will be used mainly for administration (payroll, inventory, etc.) plus some civil navigation and other scientific projects. IBM has told us the computer will be run on an accessible "open shop" basis, i. e. non-restricted access to terminals and data by Navy personnel.

Approve (EB) _____ Defer (ARA, S/P) _____
Disapprove (HA) _____

-- ~~Expansion of existing US-origin police computer for use in vehicle registration;~~

~~Approve (EB) _____ Defer (ARA, S/P) _____
Disapprove (HA) _____~~

-- A new computerized vehicle dispatch and control system for the police in Rosario;

Approve (EB) _____ Defer (ARA, S/P) _____
Disapprove (HA) _____

Aircraft, parts and equipment:

-- Two factory rebuilt turboprop engines for the Navy. The Engines are owned by Argentina and were sent here for work. We are not sure which planes these are for. They could be for Beech Model 18's or Bell Model 205A civil aircraft; they are not configured for combat aircraft.

Approve (EB, ARA, S/P) ✓ Disapprove (HA) _____

-- Several small shipments of aircraft engine spare parts; instruments, bearings and pipes for C-47 C-118 (DC-6) and UF 1&2 transport planes.

Approve (EB, ARA, S/P) ✓ Disapprove (HA) _____

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- 3 -

-- Three Bell helicopters, Model 212, for the Army (a previous working-level review resulted in a denial recommendation). These helicopters are the same as several that were approved for the Air Force at the time of the previous denial. They are general purpose, unarmored, etc.

Approve (EB, ARA, S/P) _____ Disapprove (HA) _____

-- Overhaul a Navy Electra engine. The Electra L188 is a short and medium-range passenger and cargo aircraft dating from the early 1960's. Argentina owns the engine which has been sent here for work.

Approve (EB, ARA, S/P) ✓ _____ Disapprove (HA) _____

Miscellaneous:

-- Ten 20 gauge sporting-type shotguns for Argentine Naval Commission personnel. These are for the use and ownership of the purchasers. They have 28" barrels, and are of a type we exempt from licensing except to police forces.

Approve (EB, ARA, S/P, HA) ✓ _____

-- Frequency Synthesizers for Army communications design and testing;

Approve (EB, ARA, S/P) ✓ _____ Disapprove (HA) _____

-- Twelve amphibious lighters (total value approximately \$5 million) for the Army Corps of Engineers. These are used for unloading cargo where port facilities are absent.

Approve (EB, ARA, S/P) _____ Disapprove (HA) _____

-- Acoustical analyzers, for analysis of sound and vibration for underwater and engineering research.

Approve (EB, ARA, S/P) ✓ _____ Disapprove (HA) _____

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

JUSTIFICATIONS

EB

In his statement on export promotion, the President directed the Department of State to take export consequences fully into account when considering the use of controls for foreign policy purposes. EB believes that exports should not be delayed when they make no direct contribution to human rights violations. We believe that none of the information presented for any of these cases supports a finding of such a direct contribution.

Additional factors in EB's decision include:

-- Several of the items are spare parts for equipment which the U.S. sold to Argentina in the past. Other cases involve equipment now owned by Argentina and sent here for repair. Aside from possible contractual obligations, we believe that availability of parts is fundamental to a perception of the U.S. as a reliable trading partner.

-- Many of the items are available from outside the U.S. The President has said that weight should be given to the question of foreign availability.

-- The U. S. should not arbitrarily deny or delay computer and computer-related exports. EB sees no reason for distinguishing (for example) a calculator for map-making from acoustical analyzers for engineering research.

-- Our Embassy in Buenos Aires indicated a year ago that Argentina is not using computerized vehicle dispatch and control systems, such as that now proposed for sale to the Rosario police, for human rights violations.

-- IBM's 3032 computer for the Navy would be set up on an "open shop" basis, i.e. non-restricted access to terminals and data by naval personnel. This limits any potential use in human rights violations.

~~CONFIDENTIAL~~

GDS

~~CONFIDENTIAL~~

-2-

-- The computer for the Armed Forces Scientific and Technical Institute will be used for scientific research to be applied in civilian economic and military rocketry projects which would not contribute to human rights violations.

-- In view of the delays already imposed upon U.S. firms, further delays are unconscionable in terms of the clear need for the Government to act expeditiously on license applications.

-- We would support and participate in a general review of U.S. export controls for foreign policy or human rights following resolution of these cases.

ARA

ARA does not believe that further actions by the U.S. at this time will enhance the prospects for human rights improvement. However, ARA believes our various instruments for pressure on human rights should be used in a reasonably balanced and predictable manner in fairness to U.S. private enterprise. Except for the computers and related equipment ARA believes all other pending Commerce items are similar to items already approved under the Munitions List. These items are sufficiently minor in nature and value that approval, either now or at some future time, will not carry any significant signal to the Government of Argentina. Thus ARA recommends approval of all items except for computers and related items.

Starting from a clearly defined position the Department has over the past two months authorized a series of actions with regard to FMS, Munitions List items, and EX-IM. These actions have been important in signaling our good will and interest in better relations as well as providing encouragement to take measures to improve Argentina's human rights situation. These actions have encountered considerable criticism from Congress and groups concerned with human rights situation. Argentina does not expect any new U.S. actions at this time.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-3-

Except for computers which have not been approved under the Munitions List, all the pending Commerce items are similar to items recently approved under the Munitions List, but presumably less sophisticated. While there is explicit legislation relating human rights to Munitions List items (e.g., the Humphrey-Kennedy amendment), there is no human rights legislation related to Commerce licenses. We see the Administration policy on Commerce licenses essentially as a way of avoiding a loophole in human rights restrictions, i.e. an ability to import slightly less sophisticated items when a Munitions List item is refused. Thus, just as there is explicit human rights language on Ex-Im but not on CCC and we restrict Ex-Im to a greater degree than CCC, ARA believes we should generally restrict Munitions List items more severely than Commerce licenses. Our concerns with expanding exports and our arms control policy lean in a similar direction. Thus we find it inverse to be tougher on Commerce items than on Munitions List items. Since October 1, all Munitions List license applications are denied under the law. However, as these Commerce licenses have been pending for sometime, we believe fairness to U.S. suppliers and the maintenance of some logic in the application of sanctions through various instruments argues for approval of all items except computers.

We believe that a decision regarding Commerce license applications for computer exports to Argentina should be held pending for a few additional weeks, without an explicit denial. Since computers have not been licensed for export to the Argentine police and military since the policy of restraint was initiated a year ago, the release of computer exports will mark a precedent and would surely be interpreted by the Argentines as signaling a change in our perception of the Argentine's human rights performance. On the other hand, to deny the license applications at this time would cut across a perceptible, if only slight, improving trend in the Argentine government's performance.

Beyond these points, the question of computer exports should be decided in the context of a general policy on the use of the Commerce licensing system as part of the USG response to a foreign government's human rights performance. As noted above, a memorandum on this subject will be forwarded separately.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- 4 -

SP

SP is persuaded by ARA's arguments for approving all the items under consideration except computers and related equipment, and delaying decision on the latter for a few weeks. But it feels strongly that guidelines on the general question of use of Commerce licensing in the human rights policy should be formulated--and conveyed to American exporters--within the month.

We urgently need to be able to respond to widespread confusion and apprehension in the U.S. business community as to what to expect from the human rights policy. Thus we would not agree to indefinite deferral of decision (as some munitions list decisions were deferred) pending human rights improvements which might or might not ever take place.

HA

For the past year and a half, we have struggled with the question of whether to license exports, both on the munitions and commerce lists, to the Argentine military and police.

Until the statutory cut-off, we limited approvals of munitions items to three narrow exceptions: when safety-related (as defined by earlier decision), for scientific research, or in the exception that approval might elicit a positive Argentine response. We have, until now, avoided acting on most commerce items, although a few licenses have been approved as safety-related (e.g., the aircraft ambulances).

The question in this memorandum is what action to take on the remaining commerce items. As with munitions items, each bureau seems to propose a different way to slice the cake. Other bureaus have argued a different standard than for the munitions side, because there is no statutory equivalent of Section 502B governing commerce items.

HA believes there are several factors which argue for applying the same standard to commerce items as we applied to those munitions side in the case of Argentina. The primary consideration is continuing involvement of the military and police in violations of the integrity of the person, including torture and summary execution. Also of importance is the similarity between munitions and commerce items. Both lists are intended to cover items of a military nature that may significantly enhance military capability. And the decision to put items into one category or the other

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-5-

is often arbitrary and capricious. For example, the amphibious lighters now in the memo as requiring a commerce license, were turned down when on the munitions list six months ago. Moreover, approval of both kinds of items is governed by the President's human rights policy in general and point six of PD-30 in particular, the latter being intended to require a human rights review, whether actually imposed by statute or not. Thus, consistency and predictability argue for applying the same administration standard to munitions and commerce items, especially since exporters rarely distinguish between the two categories.

The advantage of applying the same standard as for munitions items can be demonstrated by dividing the commerce items before us into three separate categories and then examining each more specifically. The categories are:

- a) for scientific research or safety-related;
- b) for general military use; or
- c) for internal security and law enforcement purposes.

Category (a) includes the map-making computers and the airborne scanning device as for scientific research. (There are no safety-related items up for decision.)

Category (c) certainly includes the two computers for police use and should also include the three Bell helicopters and the 12 amphibious lighters.

Last year when we approved commerce licenses for 10 identical helicopters, because of assurances they would go for safety or scientific use, but at the same time we refused to approve these three army models, given a lack of similar assurances and a concern they would be used for internal security purposes. No new evidence has been presented to justify reversal of the prior decision. The amphibious lighters were previously on the munitions list and were ordered by regular army forces. They are useful for maintaining internal security in rural areas, and we have no indication that they will not be used for that purpose.

All other items on the list, with one exception, (the sporting shot-guns, which should not be subject to licensing or review, unless destined for police forces, and which we have asked, in all other cases be removed from the validated commerce list) fall into category (b), for general military use.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-6-

Although the other bureaus do not agree, we believe that the approval of category (a) items and disapproval of category (c) are relatively non-controversial. Items for non-military scientific research are least sensitive from the human rights standpoint, while approval of police items for Argentina is defended only by EB.

The middle category (b) is more troublesome. On the one hand, these items are not used primarily for police purposes; but they are for military purposes in circumstances where we believe the military to be involved in gross violations.

On balance, we do not believe these items should be approved, absent actual human rights improvements. We have not approved any computers for the Argentine military and police for over a year. And the spare parts for military aircraft are practically identical to other munitions list spares for similar aircraft which we refused to approve. Given the continuing seriousness of the Argentine situation, the applicability of PD-30 to both commerce and munitions lists, and the serendipitous nature of the decision to put an item on one list or another, we should deny the licenses. If we go ahead now with these aircraft parts, the inconsistency issue may come back to haunt us.

There are several additional considerations underlying our recommendation that items in category (b) not be approved.

-- To approve these items could be seen by members of Congress as taking advantage of a loophole in the statutory ban on all other military items for Argentina. The Congressional reaction might be an attempt to close the loophole with a broader statute forbidding all military equipment to Argentina (whether by munitions or commerce license) which would further limit executive flexibility.

-- The Beagle Channel dispute with Chile is heating up and, with hostilities again a possibility, we should hesitate to approve items for the military, particularly the computer for research into rockets.

-- Rocket development is also sensitive, given recent published reports that Argentina will successfully attain a nuclear reprocessing capability within the next few years.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-7-

-- Since the World Cup Soccer matches, the human rights situation, in terms of violations committed, may have worsened. The Embassy is now receiving reports of up to 45 disappearances a month.

A final word on timing: we agree with ARA that announcement of any approvals should await Argentina's expected announcement that it has agreed to an IAHRC visit under terms satisfactory to the Commission.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~
Department of State

INCOMING
TELEGRAM

PAGE 01 BUENOS 07797 021928Z
ACTION ARA-15

6221

BUENOS 07797 021928Z

INFO OCT-01 ISO-00 CIAE-00 DODE-00 NSAE-00 NSCE-00
SSO-00 ICAE-00 INRE-00 PM-05 H-01 INR-10 L-03
PA-01 SP-02 SS-15 IO-14 HA-05 MCT-02 AID-05 /079 W
-----078150 021932Z /41

TION SIGNALS BETTER CONTROL OVER THE LA PLATA
UNIVERSITY INVESTIGATIONS, WHICH HAVE A LONG HISTORY
AND WHICH BY MANY REPORTS HAVE PRODUCED HUMAN RIGHTS
ABUSES, ALL THE BETTER. END COMMENT.
CASTRO

O R 021838Z OCT 78
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC IMMEDIATE 7744
INFO USCINCSO QUARRY HTS CZ

~~CONFIDENTIAL~~ BUENOS AIRES 7797

E.O. 11652: GDS
TAGS: SHUN AR
SUBJ: JOURNALIST REAPPEARS

1. ON FRIDAY, SEPTEMBER 29, ENRIQUE ESTABAN, PROVINCIAL
CORRESPONDENT FOR CLARIN, REAPPEARED 69 DAYS AFTER HIS
ABDUCTION IN NEUQUEN BY NINE MEN. ACCORDING TO PRESS
ACCOUNTS, ESTEBAN WAS SUBSEQUENTLY PLACED AT THE DISPOSITION OF THE
ARMY HEADQUARTERS IN NEUQUEN FOR QUESTIONING REGARDING
HIS DISAPPEARANCE.

2. EMBASSY SOURCES AND INFORMATION FROM ESTABAN'S WIFE,
WHO WAS ABDUCTED FOR FIVE HOURS AND QUESTIONED WITH HER
HUSBAND, INDICATE THAT THE ESTABAN ABDUCTION WAS PART
OF AN ANTI-SUBVERSIVE OPERATION DIRECTED AGAINST LEFTISTS
AT THE UNIVERSITY OF LA PLATA. ESTABAN WAS REPORTEDLY
A LEFTIST STUDENT LEADER AT THE UNIVERSITY'S SCHOOL OF
JOURNALISM.

3. THE FIFTH CORPS COMMUNIQUE STATED THAT ESTABAN WAS
FOUND GAGGED AND TIED IN A RENAULT CAR ON A MAJOR
HIGHWAY NEAR TRES ARROYOS AS A RESULT OF AN
ANONYMOUS PHONE MESSAGE. HOWEVER, THE BUENOS AIRES
HERALD REPORTED THAT BEFORE THE POLICE ARRIVED AT
THE CAR, ESTEBAN HAD ACTUALLY FREED HIMSELF AND
WALKED TO A NEARBY GAS STATION TO INQUIRE ABOUT
HIS WHEREABOUTS.

4. THE EMBASSY HAS RECEIVED SEVERAL REPORTS
RELATED TO THE LA PLATA UNIVERSITY OPERATION FROM
FAMILY AND ICRC (PROTECT) SOURCES. A FRIEND OF
ESTEBAN'S, ROBERTO OMAR RAMIREZ WHO IS AN ARCHI-
TECTURE PROFESSOR AT THE UNIVERSITY WAS ABDUCTED
TWO DAYS BEFORE ESTEBAN AND IS STILL MISSING.
TWO FORMER UNIVERSITY FACULTY MEMBERS, A DEAN AND
A SCIENCE PROFESSOR, WHO ARE PRESENTLY PEN PRISONERS
AT LA PLATA PRISON WERE RECENTLY QUESTIONED (WITHIN
THE LAST MONTH) UNDER "HOSTILE INTERROGATION"
PROCEDURES ABOUT LEFTIST FACULTY MEMBERS AND STUDENTS.
(WE HAVE BEEN TOLD BY THE FAMILY OF THE
SCIENCE PROFESSOR THAT THE "PICANA" WAS USED ON HIM,
AND BY THE OTHER FAMILY THAT THE FORMER DEAN WAS
BEATEN.) THESE REPORTS ARE SO FAR WITHOUT CONFIRMATION.
THIS SATURDAY'S BUENOS AIRES HERALD REPORTED
THAT HABEAS CORPUS WRITS HAD BEEN FILED REGARDING THE
DISAPPEARANCE OF TWO LA PLATA UNIVERSITY CHEMICAL
ENGINEERING STUDENTS (LUIS ALBERTO ROCHE AND NOEMI
PANIGUA) ON SEPTEMBER 26.

5. COMMENT. THE ESTEBAN RELEASE IS GOOD NEWS. THE
ARGENTINE PRESS ASSOCIATION (ADEPA), MININT HARGUINDEGUY
AND ARMY CINC VIOLA HAVE ALL EXPRESSED SPECIAL INTEREST
IN THE CASE. WHAT ENCOURAGES US ESPECIALLY ABOUT THE
ESTEBAN RELEASE IS THE EVIDENCE IT OFFERS OF VIOLA'S WILL-
INGNESS AND EFFECTIVENESS IN INTERVENING DIRECTLY IN
AN INDIVIDUAL CASE AND PLUCKING OUT A "SUSPECT" FROM
THE SECURITY ELEMENTS' MACHINERY. IF THE INTERVEN-

PHILLIP BURTON
6TH DISTRICT, CALIFORNIA

2454 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
PHONE 202-225-4965

DISTRICT OFFICE:
450 GOLDEN GATE AVENUE
SAN FRANCISCO, CALIFORNIA 94102
PHONE 415-556-4862

P780148-1001

Congress of the United States
House of Representatives
Washington, D.C. 20515

COMMITTEES:
EDUCATION AND LABOR
INTERIOR AND INSULAR
AFFAIRS

CHAIRMAN, SUBCOMMITTEE ON
NATIONAL PARKS AND INSULAR AFFAIRS

September 22, 1978

7819113

37

S

ACTION
is assigned to

ARA

Honorable Cyrus Vance
Secretary of State
Department of State
2201 C Street, N.W.
Washington, D.C. 20520

Dear Mr. Secretary:

A few years ago, I requested the State Department's assistance in locating the whereabouts of Argentine filmmaker, Raymundo Gleyzer.

In 1976, Mr. Gleyzer was kidnapped by right-wing terrorists three days after returning to Argentina from a month's visit in the United States. There were reports of torture and imprisonment, but very little information was released or available to concerned friends in the United States.

Within the past two weeks, Mr. Gleyzer's friends in the United States have received reports from different sources that he is alive and being held in a camp in the south of Argentina.

I would greatly appreciate your initiating an inquiry into the whereabouts of Raymundo Gleyzer. Any assistance you may render in getting Mr. Gleyzer released from this camp would also be sincerely appreciated.

Copies of Mr. Gleyzer's biography and an article printed in the New York Post in 1976 shortly after his disappearance are enclosed for your information.

Please advise me of any actions taken in this matter.

Sincerely,

Phillip Burton

PHILLIP BURTON
Member of Congress

DOCUMENT ANALYSIS
FACOR

53.6 MW 1 100 861
1978 OCT 1 AM 9 25

RAYMUNDO GLEYZER

Age: 36 years old |
Status: Married, one child 6 years old
Citizenship: Argentine

Raymundo Gleyzer is a well known motion picture director and producer, winner of seven international awards for documentaries, including 1st Prize at Locarno International Film Festival, Switzerland; 1st Prize at Mannheim International Film Festival, West Germany; 1st Prize at the Adelaide International Film Festival, Australia. Plus four major national awards, including the Premio Instituto Nacional de Cine, 1965, Buenos Aires, Argentina.

Raymundo Gleyzer has also directed many television shows and in that capacity he produced over 200 programs for Channel 7, Buenos Aires; Channel 3, Superama Plaza, Huincul; Channel 3, Primera TV de Tartugal, Salta Province; and director of Channel 13 program, TELENOCHE.

He has also worked for such other organizations as: Direccion Provincial de Turismo de Catamarca; Universidad Nacional de Cordoba; Direccion Provincial de Turismo de Cordoba; Direccion Municipal de Turismo de Santa Teresita.

Mr. Gleyzer has also filmed dozens of industrial films for Industrias Kaiser Argentina as well as other commercial spots and was associated in the United States with MPO-Videotronics, Inc., the largest producer of commercial and sponsored films in the world.

New York Post

FOUNDED 1801. THE OLDEST CONTINUOUSLY PUBLISHED DAILY IN THE UNITED STATES.

Vol. 178

No. 191

NEW YORK, WEDNESDAY, JUNE 30, 1976

© 1976 The New York Post Corporation

25 Cents

Argentine Film Man Tortured?

By ROBERT BAZELL

Raymundo Gleyzer, an internationally known Argentine filmmaker, left New York on May 19 after negotiating a contract to produce a film for the UN.

Four days later he arrived in Buenos Aires and four days after that he disappeared.

In recent months hundreds of people in Argentina suspected of leftist sympathies have been summarily murdered or jailed in torture camps, from which they either never emerge or return physically and mentally broken.

Gleyzer's friends, who are many, fear he has met such a fate. Numerous groups, including UN diplomats the U.S. State Dept. and the Vatican have queried the Argentine government about his whereabouts. All have received the same response: "We have no idea where he is."

Film Industry Concern

Several American film personalities — Jack Nicholson, Peter Bogdanovich, Candice Bergen, Francis Ford Coppola and Jane Fonda among them—are sponsoring an organization demanding Gleyzer's release.

In Italy, Federico Fellini, Michaelangelo Antonioni, Lina Wertmuller and Roberto Rossellini were among 150 filmmakers who signed a petition on Gleyzer's behalf.

Gleyzer, 34, is known primarily for a series of documentaries about Latin American countries including "Mexico, the Frozen Revolution" and "The Land Burns" (about Brazil). He won several awards at international film festivals.

In Argentina, Gleyzer produced several hundred shows for different television stations. His mother, Sara Aljenbom, was a star of one of the country's most popular soap operas. Immediately after her son's disappearance Miss Aljenbom's part was written out of the show.

According to friends, Gleyzer had been living in this country but he returned to Argentina to visit his four-year-old son. The friends say he voiced fears for his safety from "rightist terrorists" but decided to go home anyway.

Last week, a man who had been a prisoner in Argentina but was released and fled the country sent a letter to Gleyzer's associates here saying he was in a specific torture camp in Buenos Aires "in a state of total physical and mental deterioration." Like other detainees, the letter said, "he is kept completely naked at all times . . . and subjected to continuous beatings, electric shocks, burns, etc."

Although he expressed leftist sympathies, Gleyzer was not, friends say, a political activist. Reportedly, however, the government itself, or rightwing terrorists who operate freely in Argentina, suspected he had harbored leftist refugees from Chile.

Argentine Editor Killed

Reuter

BUENOS AIRES—A right-wing magazine editor was murdered Monday night by gunmen, eyewitnesses said. Horacio Agulla, a politician and the editor of the weekly *Confirmado*, had just parked his car when several armed men shot him, the eyewitnesses said.

Argentina Turns Its Wrath on Foreign Critics of Anti-Terror Operations

U.S. a Main Target of Nationalistic Wrath

By Charles A. Krause

Washington Post Staff Writer

BUENOS AIRES, Siete Dias, an important Argentine newsmagazine, has President Carter on its cover this week along with pictures of policemen stomping on the heads of blacks in Philadelphia and helmeted troops allegedly shooting at rioters in an unidentified U.S. city.

Para Ti, a leading women's magazine, recently began urging housewives to send postcards with Argentine flags to foreign critics of the military government's anti-terrorist effort and human rights record. "The war has ended in Argentina," the postcards say. "These flags are symbolic of the peace that we have won."

The two magazines reflect a change of mood in Argentina, which in the past has suffered international criticism largely in silence. In recent weeks, as Argentines bask in the glory of staging and winning the World Cup soccer championship in June, they have begun to strike back. There has clearly been a reawakening of the nationalistic spirit that has been a factor in Argentine political life since Juan Peron first came to power at the end of World War II.

The new militancy has appeared at a time when U.S.-Argentine relations are at their lowest ebb in years, according to diplomatic observers, and seem likely to get worse if the Argentines do not improve the human rights situation and if the United States does not stop giving hardliners the opportunity to convince the people that the whole world is against them.

The Siete Dias issue with Carter's likeness on the cover carries an article that notes that terrorists, militants and common criminals in the United States are not always treated gently. "The United States today," reads the headline over a picture of soldiers aiming guns at a terrified black woman. "Mr. President, is this the bulwark of human rights?"

The article and pictures appear to be part of a growing government campaign against critics abroad who have accused the two-year-old military regime of President Jorge Videla of kidnapping, torturing, jailing and executing thousands of Argentines in pursuing its war against terrorism.

The Argentine military is portraying international criticism of its anti-terrorist campaign as criticism of the country itself. At the same time, the

press is fanning the flames of nationalism among the country's 25 million inhabitants, who, for the most part, are ignorant of the kidnappings being carried out by secret anti-terrorist squads.

These secret police activities are not reported in Spanish-language newspapers, although the English-language Buenos Aires Herald does report missing person cases when families or friends provide information.

Average Argentines, however, are informed only when a prominent person disappears or when the terrorists strike, as they apparently did Aug. 1 at the home of Admiral Armando Lambruschini, who will become the Navy's representative on the three-member ruling junta next month.

Lambruschini was not home when a bomb exploded in an apartment adjacent to his, but his 15-year-old daughter was killed. The bombing received front-page coverage and revolted many Argentines.

A week after the bombing, Patricia Derian, the U.S. State Department's top human rights official, sharply criticized the Argentine government in testimony before a House of Representatives subcommittee in Washington.

Derian accused the Videla government of "systematic torture" and "summary executions" of terrorists and political opponents and said there was no indication that the human rights situation here is improving. Derian rejected the government argument that its anti-terrorism campaign is the result of the terrorists' activity, saying that Videla himself has said that the war against the terrorists has been largely won.

"It is ridiculous to violate human rights to protect human rights," Derian said. This statement infuriated government supporters, who argue that there is no way to stop an estimated 20,000 active terrorists and their backers except to fight them with extralegal and clandestine methods similar to their own.

The day after Derian's testimony, the Foreign Ministry issued what government officials and diplomats describe as the strongest anti-U.S. statement in recent memory. The statement expressed "indignation," calling

Derian's statements "false and tendentious, an offense to the Argentine people and harmful to ties between both states."

The Foreign Ministry statement seems to have been a signal to a host of military men, retired and active, to take up the cry against foreign critics. Almost every day for the past two weeks, there has been a speech, an editorial, a television commentary or a feature critical of Derian in particular or of foreign critics in general.

The argument is usually the same: the foreigners do not understand what the situation was like two years ago when the military overthrew the government of Isabel Peron, and are totally unfair when they criticize the anti-terrorist campaign without criticizing the terrorists.

The U.S. position has been that Videla and other so-called moderates in the government are not doing enough to improve the human rights climate or to restrain the extralegal anti-terrorist squads.

But there is a growing fear in business and legal circles, that anti-U.S. feelings within the military could lead to agreement that there is no way to placate the Carter administration, and therefore no reason to control the anti-terrorist squads. Some generals, it is believed, would like to unleash the secret police against all present and former Peronists and leftists, regardless of whether they ever engaged in terrorism.

Those Argentines who are particularly interested in maintaining and strengthening relations with the United States worry that the Carter administration is exhausting its influence with the Argentine military, despite the work of U.S. Ambassador Raul Castro, who is generally given high marks for his efforts to keep the diplomatic situation from getting out of control.

Aug.

~~CONFIDENTIAL~~
Department of State

INCOMING
TELEGRAM

PAGE 01 BUENOS 06484 221953Z
ACTION ARA-14

6934

INFO OCT-01 EUR-12 ISO-00 PM-05 NSC-05 SP-02 SS-15
CIAE-00 COME-00 EB-08 INR-10 LAB-04 NSAE-00
SIL-01 SY-05 MCT-02 IO-13 HA-05 /102 W
-----076877 230635Z /13

R 221827Z AUG 78
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC 7079
INFO AMEMBASSY BRUSSELS
AMEMBASSY MEXICO

~~CONFIDENTIAL~~ BUENOS AIRES 6484

USEEC

E.O. 11652 GDS
TAGS ELAB, SHUM, PINS, ICFTU, AR
SUBJECT PROMINENT PERONIST LABOR LEADER REPORTEDLY ABDUCTED

REF: BUENOS AIRES 6356

1. GARCIA HAS BEEN MAINTAINING STEADFASTLY TO ALL INQUIRERS THAT HE WAS NEVER ABDUCTED, THAT HE HAS NO IDEA HOW THE STORY EVER STARTED. MEMBERS OF THE "COMMITTEE OF 5" NOW SAY THAT THE INDIVIDUAL WHO CALLED THEM BY PHONE ALLEGING THE ABDUCTION AND IDENTIFYING HIMSELF AS GARCIA'S BROTHER WAS AN IMPOSTOR.

2. SOME LABOR SOURCES REMAIN SUSPICIOUS ABOUT GARCIA'S EXPLANATION, OR LACK THEREOF, BUT IN VIEW OF THE POSITION HE IS TAKING, WE SEE NO POINT IN PURSUING THIS MATTER FURTHER--PARTICULARLY AS GARCIA WAS BACK IN HIS UNION HALL THE NEXT DAY (AUGUST 16) SHOWING NO SIGNS OF ANY PERSONAL INJURY.

3. FYI. ACCORDING TO PRSS ACCOUNTS, ICFTU SENT A MESSAGE TO PRESIDENT CIDELA LAST WEEK REQUESTING ENERGETIC MEASURES TO BRING ABOUT GARCIA'S IMMEDIATE RELEASE FROM HIS CAPTORS (SIC). END FYI.
CASTRO

~~CONFIDENTIAL~~

CONFIDENTIAL
Department of State

INCOMING
TELEGRAM

PAGE 01 BUENOS 06504 222031Z
ACTION ARA-14

6993

INFO OCT-01 ISO-00 SY-05 MCT-02 USSS-00 CIAE-00 PM-05
H-01 INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02
SS-15 ICA-11 /075 W

-----077318 230651Z /15

R 222010Z AUG 78
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC 7086
INFO DIA WASHDC
AMEMBASSY PANAMA
USCINCSO QUARRY HTS CZ

~~CONFIDENTIAL~~ BUENOS AIRES 6504

DEPT FOR ARA/ECA; A/SY/FO; A/SY/CC/TAGS; PANAMA FOR RSS;
CZ FOR SCJ2

E.O. 11652: GDS
TAGS: ASEC PINS PINT AR
SUBJ: BOMB ATTACK

REF: BUENOS AIRES 5989

1. THIS IS AN UPDATE CONCERNING THE BOMB ATTACK AGAINST VICE ADMIRAL LAMBRUSCHINI'S RESIDENCE. FURTHER CONTACTS WITH MEMBERS OF THE SECURITY SERVICES HAVE CONFIRMED THAT THE EXPLOSIVE DEVICE WAS COMPOSED OF 25-30 KILOS OF NITROGLYCERINE STABILIZED BY AMMONIUM NITRATE AS PREVIOUSLY REPORTED. IN ADDITION, SOURCES STATED THE EXPLOSIVE DEVICE WAS PLACED BY AT LEAST TWO WELL-DRESSED MEN IN THEIR 30S, WHO IDENTIFIED THEMSELVES WITH FAKE CREDENTIALS AS BEING MEMBERS OF THE NARCOTICS DIVISION OF THE FEDERAL POLICE CONDUCTING AN ACTIVE NARCOTICS INVESTIGATION. THESE MEN FIRST VISITED THE EMPTY APARTMENT NEXT DOOR TO VICE-ADMIRAL LAMBRUSCHINI IN EARLY JULY. THEY VISITED ON TWO MORE OCCASIONS, THE LAST BEING JULY 31, WHEN THE EXPLOSIVE DEVICE WAS PLACED. ACCORDING TO OUR SOURCES, A COMPOSITE OF ONE OF THE MEN PROVIDED BY WITNESSES IS THAT OF A WELL-KNOWN "MONTONERO" NAMED "COSTA," WHO HAS PARTICIPATED IN SIMILAR ACTS.
CASTRO

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~
Department of State

OUTGOING
TELEGRAM
0855

PAGE 01 STATE 209407
ORIGIN ARA-14

INFO OCT-01 ISO-00 SSO-00 NSCE-00 ICAE-00 INRE-00
CIAE-00 DODE-00 PM-05 H-01 INR-10 L-03 NSAE-00
PA-01 SP-02 SS-15 IO-13 MCT-02 /067 R

DRAFTED BY ARA/ECA: CWRUSER: AF
APPROVED BY: P: DNEWSOM
ARA: FMCNEIL
RA: VPRVAKY

-----005402 172217Z /61

O 172152Z AUG 78
FM SECSTATE WASHDC
TO AMEMBASSY BUENOS AIRES IMMEDIATE

~~CONFIDENTIAL~~ STATE 209407

E. O. 11652: N/A

TAGS: AR, PINT, PINS

SUBJECT: ALLEGED U. S. SUPPORT FOR MONTONERO POLITICAL
MOVEMENT

REFS: (A) STATE 224833 AND (B) BUENOS AIRES 6317

1. IF ASKED ABOUT REMARKS ATTRIBUTED TO BRADY TYSON,
EMBASSY SHOULD STATE THAT:
A) THESE ALLEGED REMARKS DO NOT IN ANY SENSE REPRESENT
THE POSITION OF THE U. S. GOVERNMENT;
B) WE DO NOT KNOW WHETHER THE REMARKS ATTRIBUTED TO TYSON
ARE REPORTED ACCURATELY; (FYI--WE ARE INVESTIGATING THE
CIRCUMSTANCES).
C) THE USG STRONGLY ENDORSES THE PRINCIPLE OF NON-
INTERVENTION IN THE INTERNAL AFFAIRS OF OTHER STATES; AND
D) THE USG IS NOT PREPARED TO DEAL WITH TERRORIST ORGAN-
IZATIONS; THERE HAVE BEEN CLEAR AND SPECIFIC INSTRUCTIONS
IN EFFECT FOR A CONSIDERABLE PERIOD AGAINST CONTACTS
BETWEEN U. S. OFFICIALS AND THE MONTONEROS.

2. EMBASSY MAY USE FOREGOING INFORMATION AT ITS DISCRETION
AS OPPORTUNITY ARISES. VANCE

File

JEK

Call Frank

McNeil

& say

we should

have cleared

74

~~CONFIDENTIAL~~

UNCLASSIFIED
Department of State

INCOMING
TELEGRAM

PAGE 01 041957Z
ACTION ARA-14

0700

041957Z

INFO: OCT-01 INR-10 MCT-02 NEA-10 EB-08 HA-05 L-03
10-14 /067 W

P R 341554Z AUG 78
FM USICA/BUENOS AIRES
TO USINFO WASHDC PRIORITY
INFO SECSTATE WASHDC
USICA VOA/MIAMI
USCINCSO QUARRY HTS CZ

UNCLAS SECTION 1 OF 3

USICA FOR PGM/RF, AR

SECSTATE FOR ARA/PAF, ARA/ECA, HA

1. ASSASSINATION OF PLO REPRESENTATIVE IN PARIS AND LATEST
OUTBREAKS OF VIOLENCE IN MIDDLE EAST DOMINATE FOREIGN NEWS
FRIDAY. LATELIER CASE MODERATE TO HEAVY PLAY.

2. LETELIER CASE. U.S. EXTRADITION REQUESTS AND PREVENTIVE
DETENTION OF THREE CHILEAN OFFICERS TOP FOREIGN
NEWS THURSDAY. OPINION'S RAUL FAJN BINDA POINTED
OUT THAT U.S. CONGRESS CONTROVERSY OVER ARMS
SALES SHOWS "IN AN IMPUDENT MANNER, THE POLITICAL
ASPECT OF THE LETELIER CASE." ADDED: "IT IS
DIFFICULT TO ADMIT THAT THE THREE ACCUSED
OFFICER WILL BE DELIVERED TO U.S. JUSTICE... WHATEVER
THE CHILEAN GOVERNMENT OF THE NEXT MONTHS WILL BE,
THE EXTRADITION WOULD BRING AS A CONSEQUENCE THE
INTERNAL CRUMBLING OF THE ARMED FORCES..."
CLARIN'S ARMANDO VIDAL OBSERVED "THIS CONFLICT
BETWEEN U.S. AND CHILE... CLEARLY UNDERLINES THE
CHILEAN ECONOMIC DEPENDENCY ON WASHINGTON. IT COULD
EVEN BE SAID THAT THIS IS WHAT'S AT STAKE."
VIDAL POINTED OUT CHILE HAS OPENED ITS DOORS TO FOREIGN
INVESTMENT, "OF WHICH 91 PERCENT IS AMERICAN. THE CHILEAN
ECONOMY AND ITS MILITARY STRATEGY... NEED THIS
CAPITAL..."

FRIDAY PAPERS REPORT DISAGREEMENT BETWEEN PINOCHET
AND CHILEAN SUPREME COURT. ALL PAPERS REPORT U.S.
CONGRESS REVERSAL OF VOTE TO STOP ARM SALES TO
CHILE. CONVICION'S MARIANO MONTEMAYOR CALLS THE
VOTE REVERSAL "A DIPLOMATIC MANEUVER" AND OBSERVES
THAT WASHINGTON'S ATTITUDE, ALTHOUGH "AT TIMES
ERRATIC AND CONTRADICTORY," MIGHT BE FOLLOWING NOW
"A POLICY OF COHERENCE." ADDS WASHINGTON'S
INTENTION MIGHT BE TO "ESTABLISH THE BASIS FOR AN
EVENTUAL RECONCILIATION WITH A CHILEAN GOVERNMENT
THAT WILL CAPITULATE WITH FERVOR TO 'CARTER'S
EVANGELISM' AND A WARNING TO ARGENTINA... THIS
WILL FORCE US TO DEEPLY EXAMINE OUR GLOBAL
STRATEGY; TO CAREFULLY RE-EVALUATE OUR FRIENDS
AND OUR ENEMIES...; TO DO A REALISTIC SOUL
SEARCHING AND FIND OUR WHERE WE STAND." BUT,
WARNS MONTEMAYOR, "IT'S NOT A MATTER OF FALLING INTO
AN ANACHRONISTIC 'ANTIYANKEE' ATTITUDE. AN IT IS NOT
EITHER A MATTER OF SURRENDERING OUR HIGH OBJECTIVES
OR OUR NATIONAL INTERESTS... THE CARTER ADMINISTRATION
IS NOT A MONOLITHIC UNITY... THE U.S. IS A VERY
COMPLEX REALITY AND MANY OF THE MISTAKES
MADE TOWARDS THE U.S. ARE BECAUSE OF OVER SIMPLIFICATION.
WE HAVE THERE PERMANENT ALLIES UP AND ABOVE THE TRANSITORY
IDIOTS."

OPINION'S RAUL FAJN BINDA FRIDAY SAYS THE
LETELIER CASE "INCREASES THE POWER OF U.S. PRESSURE
WHILE AT THE SAME TIME
IF CHILE ALLEVIATES U.S. PRESSURE BY MAKING

CONCESSIONS, THIS DOES NOT GUARANTEE
POSITIVE RESULTS, SINCE "CARTER, AS WELL AS PINOCHET,
FACES INTERNAL DIFFICULTIES" WHEN DEALING WITH
THE LEGISLATIVE, THE JUDICIAL POWER AND THE STATE
DEPARTMENT.

PRENSA EDITORIAL OBSERVES: "THERE
IS NO DOUBT THE SCANDAL SURROUNDING THE LETELIER
CASE IN EUROPEAN AND AMERICAN NEWSPAPERS HAS BEEN
FED BY SECTORS INFLUENCED BY COMMUNISM. THEREFORE,...
THE ANALYSIS OF THE CASE AND THE FINAL CHILEAN COURT
DECISION WILL HAVE TO BE CAREFULLY STUDIED AND JUSTIFIED,
SCRUPULOUSLY KEEPING IN MIND THE LEGAL REQUIREMENTS."

3. U.S.-ARGENTINE RELATIONS. ALL PAPERS FRIDAY AND MORNING
RADIO GIVE CONSIDERABLE PLAY TO FOREIGN MINISTER
MONTES INTERVIEW WITH AMBASSADOR CASTRO LAST NIGHT.
CLARIN HEADLINES "MONTES CALLED AMBASSADOR CASTRO,
IN THE INTERVIEW, THE PROBLEMS FACING THE
RELATIONSHIP WITH THE U.S. WERE DISCUSSED."

CLARIN THURSDAY FEATURED AN INTERVIEW WITH
ARGENTINE FOREIGN MINISTER MONTES. WHEN ASKED
IF HE SAW U.S. RELATIONS WITH ARGENTINA "HAVE
REACHED A PEAK OF TENSION," MONTES ANSWERED, "THE
RELATIONS WITH U.S. CONTINUE BEING NORMAL. THEY
ARE NOT GOING THROUGH AN OPTIMAL STATE,
BUT THEY ARE STILL NORMAL... UNDER NO CIRCUMSTANCES
ARE THEY TENSE OR COLD, BECAUSE THAT WOULD MEAN
THE U.S. AND ARGENTINA ARE GOING THROUGH A DIFFICULT
SITUATION IN THEIR DIPLOMATIC RELATIONS, WHICH IS
NOT THE CASE." WHEN ASKED HIS OPINION ABOUT "U.S.
INTERFERENCE IN THE AFFAIRS OF OTHER STATES."
MONTES OBSERVED THAT "WE DEFEND THE PRINCIPLE OF
NONINTERVENTION IN INTERNAL AFFAIRS, THAT IS WHY
RELATIONS WITH THE U.S. HAVE DECREASED, AS
ALREADY NOTED, FROM OPTIMAL TO NORMAL. ... I BELIEVE

EOT

Arg

UNCLASSIFIED

UNCLASSIFIED
Department of State

INCOMING
TELEGRAM

PAGE 01 042021Z
ACTION ARA-14

0704

042021Z

INFO OCT-01 INR-10 MCT-02 NEA-10 EB-08 HA-05 L-03
10-14 /067 W

-----101131 042107Z /45

P/R 041554Z AUG-78
FM USICA/BUENOS AIRES
TO USINFO WASHDC PRIORITY
INFO SECSTATE WASHDC
USICA VOA/MIAMI
USCINCSO QUARRY HTS CZ

UNCLAS SECTION 2 OF 3

THAT IF THE U.S. COULD ARRIVE AT UNDERSTANDING WITH ARGENTINA, THE SITUATION WILL IMPROVE CONSIDERABLY." CARTER'S HUMAN RIGHTS POLICY, OBSERVED MONTES, "HAS A SERIOUS PROBLEM, WHICH IS GENERALIZATION. YOU CANNOT GENERALIZE IN REGARDS TO COUNTRIES IN THE WORLD, TO HUMAN RIGHTS, TO IDEOLOGIES, TO INTERNAL SITUATIONS.... I HAVE REITERATED MANY TIMES THAT THE ONLY VIOLATORS OF HUMAN RIGHTS ARE INTERNATIONAL TERRORISTS. ARGENTINA... HAS A TRADITION OF RESPECT FOR HUMAN RIGHTS AND WE CAN TEACH A LOT OF COUNTRIES SOMETHING ABOUT THIS SUBJECT, EVEN COUNTRIES THAT ARE MORE ADVANCED THAN US."

SOMOS MAGAZINE THIS WEEK FEATURES AN ARTICLE BY POLITICAL COMMENTATOR DR. EDUARDO ROCA. ROCA REVIEWS THE "COMPLEX" INTERNATIONAL PANORAMA FACING ARGENTINA AT PRESENT. REGARDING THE U.S., ROCA OBSERVES THAT THE SITUATION IS SOMEWHAT "INEXPLAINABLE." THE UNFRIENDLY GESTURES HAVE BEEN UNILATERAL. THEY STEM EXCLUSIVELY FROM THE U.S. GOVERNMENT AND UNDER GENERAL CIRCUMSTANCES THAT ARE NO REALLY GRAVE MOTIVES FOR ANY KIND OF CONFLICT. MY IMPRESSION IS THAT THE FRICTION IS UNAVOIDABLE AND, SINCE THE REAL CAUSE IS DETERMINED BY U.S. INTERNAL POLITICS, THIS WILL BE THE MOST DIFFICULT PROBLEM" FACING THE VIDELA GOVERNMENT AS IT EMBARKS ON A SECOND TERM. ROCA CONCLUDES: ARGENTINA "MUST NOT LET HERSELF BE CARRIED AWAY BY THE INERTIA OF HER STORNG INITIAL IMPULSE AND SHOULD FIND THE WAY FOR POSITIVELY INSERTING HERSELF IN SOUTH AMERICA. BECAUSE THE ATTITUDE OF THE COMMON MARKET AND OF THE U.S. HAVE CUT ARGENTINA'S OLD UMBILICAL CHORDS AND HER 'HABITAT' NOW IS FUNDAMENTALLY, LATIN AMERICA."

4. HUMAN RIGHTS. UNITED STATES STATEMENT CONDEMNING BOMB ATTACK THAT CAUSED, AMOUNT OTHER CASUALTIES, THE DEATH OF ADMIRAL LAMBRUSCHINI'S DAUGHTER, GIVEN CONSIDERABLE PLAY ALL MEDIA THURSDAY. HERALD FRIDAY CARRIES STATEMENT BY PERMANENT HUMAN RIGHTS ASSEMBLY ALSO CONDEMNING THE TERRORIST ATTACK AND STRESSING THAT "ON THE SAME DAY AND THE SAME TIME, AN ATTACK WAS MADE ON THE POLICE SCHOOL AS IF THIS WAS AN ATTEMPT TO CREATE A WAVE OF SCEPTICISM IN ARGENTINA REGARDING POSSIBILITIES OF SUPPRESSING TERRORISM."

PRENSA THURSDAY HAD A PAID ADD SIGNED BY "PARENTS OF THE CITY OF BAHIA BLANCA AND VICINITY." THE ADD LISTED THE NAMES, AND DATES OF DISAPPEARANCE, OF 30 BAHIA BLANCA AREA RESIDENTS, AND NOTED; "AFTER LONG MONTHS OF PAINFULLY WAITING FOR NEWS ON THE DISAPPEARANCE OF OUR SONS, THEIR PARENTS, FRIENDS, SCHOOL MATES AND CO-WORKERS HELD A MASS... IN THIS CITY, JULY 15, 1978, TO PRAY FOR THEIR REAPPEARANCE AND SAFE AND SOUND RETURN TO THEIR HOMES."

CRONICA WEDNESDAY AND ALL THURSDAY MORNINGERS REPORTED THE DISAPPEARANCE OF 41-YEAR-OLD LUIS

PABLO CORDOBA AND HIS 27-YEAR-OLD WIFE, ALICIA RIO DE CORDOBA, A LAWYER. BOTH WORKED AS JOURNALISTS FOR EL LITORAL NEWSPAPER IN SANTA FE PROVINCE, AND "WERE ABDUCTED FROM THEIR HOME BY UNIDENTIFIED FORCES JULY 27."

CLARIN AND CRONICA CONTINUE TO REPORT DAILY "NO NEWS ON ENRIQUE ESTEBAN'S DISAPPEARANCE." SOMOS THIS WEEK FEATURES ONE PAGE STORY RECOUNTING EVENTS SURROUNDING THE KIDNAPPING. CONVICCION THURSDAY NOTED THAT "EVEN WHEN THESE DISAPPEARANCES COULD BE THE WORK OF LEFTIST TERRORISTS, THESE TERRORISTS NEVER CLAIM THE KIDNAPPING OF JOURNALISTS, SO THE INTERNATIONAL MEDIA DO NOT STOP BLAMING THESE ACTIONS ON ALLEGED PARA-MILITARY GROUPS, THUS HURTING THE ARGENTINE IMAGE." CONVICCION THEN URGED THE GOA TO "TAKE FIRMS STEPS, TO AVOID THE RECURRENCE OF KIDNAPPINGS. AND TO CLARIFY THE CASES THAT STILL REMAIN A MYSTERY." AND ENDED/ "IT'S NOT JUST THE PEACE OF ARGENTINE CITIZENS NOR THE TRANQUILITY OF THE PRESS THROUGHOUT THE COUNTRY THAT IS AT STAKE. THE NAME OF THE NATION IS ALSO AT STAKE. THESE THINGS NEED TO BE CLARIFIED SO AS TO NOT FALL VICTIM OF THE GAME OF THE 'CHAMPIONS' OF HUMAN RIGHTS."

ALL PAPERS THURSDAY REPORTED 6 SUBVERSIVES KILLED ON JULY 14 AND 15 DURING A SHOOTOUT WITH MAR DEL PLATA SECURITY FORCES. NO NAMES GIVEN. ALL FRIDAY PAPERS REPORT 4 SUBVERSIVES KILLED IN MAR DEL PLATA DURING AN EXPLOSION. BODIES NOT IDENTIFIED.

PRENSA, NACION AND HERALD THURSDAY INFORMED THAT THE PROVINCIAL POLICE CHIEF IN MENDOZA "REMINDED POLICEMEN IN THIS PROVINCE THAT THEY MUST NEVER INFRINGE THE RIGHTS OF THE PEOPLE." THE WARNING CAME AFTER "SEVERAL COMPLAINTS FROM CITIZENS OF DISCOURTEOUS, BEHAVIOUR BY POLICEMEN."

5. NONALIGNED CONFERENCE. PRENSA EDITORIAL OBSERVES THAT "THE TRUE POLITICAL DEFINITION OF THE CONFERENCE IS GIVEN IN THE FINAL COMMUNIQUE, THAT CRITICIZES INDIRECTLY THE SOVIET UNION AND THE UNITED STATES FOR THEIR INTERVENTION IN NONALIGNED COUNTRIES, BUT WITHOUT CLAFIYING THAT THE PRESENCE OF NORTHAMERICAN

EOT

UNCLASSIFIED

UNCLASSIFIED
Department of State

INCOMING
TELEGRAM

PAGE 01 041959Z
ACTION ARA-14

0710

INFO OCT-01 INR-10 MCT-02 NEA-10 EB-08 HA-05 L-03
IO-14 /067 W

-----100554 042108Z /45

P R 041554Z AUG 78
FM USICA/BUENOS AIRES
TO USINFO WASHDC PRIORITY
INFO SECSTATE WASHDC
USICA VOA/MIAMI
USCINCSO QUARRY HTS CZ

UNCLAS SECTION 3 OF 3

TROOPS ABROAD HAS NO OTHER PURPOSE THAT TO AVOID
THE ENSLAVEMENT OF FREE COUNTRIES BY THE
EASTERN POWER."

SOMOS THIS WEEK HAS AN INTERVIEW WITH FOREIGN
MINISTER MONTES. MONTES STATES THAT "NONALIGNEDS
IS ONE THING, THE THIRD WORLD IS SOMETHING ELSE,"
ARGENTINA, NOTES MONTES, "HAS A WESTERN AND CHRISTIAN
TRADITION, WHICH IS NOT CONTRADICTED BY OUR PARTICIPATION
IN THE NONALIGNED MOVEMENT. WE ARE NOT GOING TO
FOLLOW THE TUNE OF ANY FOREIGN COUNTRY, WHATEVER
THE IDEOLOGY. WE ARE GOING TO DEFEND OUR WON SYSTEM
OF LIFE, WITHOUT GIVING MUCH IMPORTANCE TO WHAT THE
REST OF THE WORLD THINKS. THIS IS ONE OF THE BASIC
PRINCIPLES OF THE NONALIGNED: TO EACH HIS OWN
OPINION, WHATEVER IT MAY BE, WITH ABSOLUTE FREEDOM...
AND THIS IS PRECISELY THE CASE WITH CUBA. THE CUBAN
GOVERNMENT CAN THINK AND SAY WHATEVER THEY WANT."
MONTES ADDED, HOWEVER, THAT CUBA'S FAILURE TO
DISRUPT THE CONFERENCE AND IMPOSE AN "EXTREMIST"
POSITION WAS DUE TO THE FACT THAT "MODERATION AND
APLOMB PREVAILED OVER EXTREMIST POSITIONS."
HIGGINS

EOT

Key Argentine's Daughter Slain

By JUAN de ONIS

Special to The New York Times

BUENOS AIRES, Aug. 1 — Anti-government extremists today bombed the home of Argentina's naval chief of staff, killing his 15-year-old daughter.

The bombing was timed to jolt the armed forces as Jorge Rafael Videla retired as commander in chief of the army, thus bowing out of the three-man junta that rules Argentina, to become President. The junta is made up of the commanders of the army, navy and air force.

His successor in the junta, Gen. Roberto Viola, said yesterday on taking over the army command that he was a "fervent believer" in cooperation between the military and civilians to achieve a restoration of democratic government. But the bombing, like other terrorist acts by left-wing extremists here, could strengthen military factions that favor a more repressive, authoritarian regime.

The victim chosen for the bombing, Adm. Armando Lambruschini, is to be the new commander in chief of the navy when Adm. Emilio Massera retires on Sept. 15.

Admiral Lambruschini was sleeping early today in his apartment in central Buenos Aires when a violent explosion blew out the walls of two floors in an adjoining building. His daughter, Paula, sleeping in the bedroom closest to the blast, was killed. At least one security guard in front of the building was also reportedly killed.

Alejandrina Passo de Gil, the owner of the vacant apartment where the explosion took place, said that two young men with narcotics-squad credentials asked to search the apartment yesterday for drugs. The explosion occurred about an hour after they left.

General Videla and Admiral Massera, with Brig. Orlando Agosti, the commander of the air force, overthrew President Isabel Martinez de Peron in March 1976. By decision of the junta, General Videla will serve as President until March 1981, under the supervision of the new junta being formed by the new service commanders. The method of choosing General Videla's successor as President is yet to be decided.

Aug.

UNCLASSIFIED
Department of State

INCOMING
TELEGRAM

8962

PAGE 01 BUENOS 02935 182242Z
ACTION HA-05

INFO OCT-01 ARA-14 ISO-00 MCT-01 CIAE-00 DODE-00
INR-10 NSAE-00 PA-02 ICA-20 SP-02 IO-14 /069 W
-----067455 201309Z /41

R 181852Z APR 78
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC 5386

UNCLAS BUENOS AIRES 2935

E.O. 11652: N/A
TAGS: SHUM, AR
SUBJECT: SAN JUSTO ABDUCTIONS: ONE REAPPEARANCE

REF: BUENOS AIRES 2762 AND BUENOS AIRES 2834

BUENOS AIRES HERALD ON APRIL 16 STATED THAT FAMILY OF
DR. HILDA NORMA ERENU DE LIWSKI REPORTED THAT
SHE WAS RELEASED UNHARMED AT 2 AM ON THE PREVIOUS
MORNING. THE FAMILY STATED SHE WAS IN GOOD
HEALTH BUT GAVE NO DETAILS.
CASTRO

UNCLASSIFIED

~~CONFIDENTIAL~~
Department of State

INCOMING
TELEGRAM
6870

PAGE 01 BUENOS 02834 150837Z
ACTION ARA-14

INFO OCT-01 ISO-00 HA-05 PM-05 NSC-05 SP-02 SS-15
CIAE-00 DODE-00 INR-10 NSAE-00 PA-01 ICA-11 H-01
MCT-01 /071 W

-----030972 161211Z /13

R 141516Z APR 78
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC 5336

~~CONFIDENTIAL~~ BUENOS AIRES 2834

E.O. 11652 GDS
TAGS: SHUM, AR
SUBJECT: ANOTHER SAN JUSTO ABDUCTION

REF: BUENOS AIRES 2762

1. BUENOS AIRES HERALD 4/13 FRONT-PAGED AN ACCOUNT OF THE ABDUCTION OF DR. FRANCISCO MANUEL GARCIA FERNANDEZ, WHO WAS TAKEN APRIL 5 FROM A PART OF THE CITY NEAR THE "CENTRO GALLEGO" CLINIC--WHERE THE DOCTOR WORKED, AS DID ABDUCTED DR. HILDA NORMAL ERENU DE LIWSKI (REFTEL).

2. THE WIFE OF DR. GARCIA FERNANDEZ, WHO HAS FILED A WRIT OF HABEAS CORPUS FOR HER HUSBAND, IS QUOTED SAYING THAT THE DOCTOR WORKED ALSO AT THE SANTI RITA PRIVATE CLINIC IN SAN JUSTO AS A PEDIATRICIAN. SHE SPECIFICALLY ASKED IN THE WRIT FOR A JUDGE TO INQUIRE WHETHER GARCIA FERNANDEZ COULD HAVE BEEN DETAINED FOR HAVING ATTENDED A MASS AT SAN JUSTO CATHEDRAL TO PROTEST THE SITUATION OF A WOMAN OF THAT NEIGHBORHOOD.

3. THE WRIT CLAIMS ALSO THAT ANOTHER DOCTOR CONNECTED WITH THE DISPENSARY FOR THE POOR, JORGE EDUARDO HEUMAN, HAD ALSO BEEN ABDUCTED. THIS COULD OF COURSE REFER TO THE PERSON MENTIONED REFTEL PARA 3.

4. INFORMATION ON GARCIA FERNANDEZ COINCIDES WITH A GARBLED VERSION OF THE STORY GIVEN US BY THE PARENTS OF NORBERTO LIWSKI, WHO HAD HEARD OF THE DISAPPEARANCE OF A PHYSICIAN FRIEND OF THEIR SON CALLED "PACO". THEY WERE UNCERTAIN WHETHER HIS LAST NAME WAS "GARCIA" OR "FERNANDEZ" OR ANOTHER OF THE VERY COMMON SPANISH SURNAMES.

5. WE FIND NO INFORMATION LINKING GARCIA FERNANDEZ WITH THE PARTIDO COMUNISTA REVOLUCIONARIO, IN WHICH BOTH DOCTORS LIWSKI WERE PROMINENT. CASTRO

Aug

~~CONFIDENTIAL~~

Argentina May Release Symbol Of Military's Repressive Policy

By Charles A. Krause
Washington Post Foreign Service

BUENOS AIRES—Jacobso Timerman, the Argentine newspaper publisher whose year-long imprisonment has become a symbol of repression here and an important irritant in U.S.-Argentine relations, will be freed from jail by the end of the month, according to well-informed sources.

These sources said that Timerman's release was approved by Argentina's military junta on March 30 after it became clear that allegations linking Timerman to leftist terrorist groups could not be substantiated and that the international uproar caused by his continued detention was harmful to Argentina.

Despite the lack of formal evidence against him, some segments of Argentina's armed forces have argued for Timerman's continued detention on the grounds that he is a symbol of the Jewish intellectuals whose liberal ideas the military say helped encourage urban terrorism here.

The decision to release Timerman is seen by some observers as a victory for more moderate military leaders such as President Jorge Videla, commander-in-chief of the army, and Adm. Emilio Massera, commandant of the navy, who have no great love for Timerman but who are said to believe that persons suspected of terrorist activity should not be detained once their innocence is established.

Sources here said that Timerman, once he is released from his cell at the federal police headquarters in Buenos Aires, will be placed under house arrest until a commission investigating his financial affairs has completed its work. Eventually it is expected that the junta will allow Timerman to leave Argentina, probably for Israel, where he has said he would go.

Marshall T. Meyer, who is Timerman's rabbi and who spoke with the newspaper publisher as recently as last week, said in an interview yesterday that "we are anxiously awaiting his imminent release to house arrest. It could happen today or next week."

Rabbi Meyer said he had no reason to think that any problems would occur that would delay Timerman's release beyond the end of April at the latest.

Government sources also said this week that Timerman's release was "certain" and that only a few formalities were left to be worked out.

The junta clearly hopes that Timerman's release will improve Argentina's image abroad, badly stained by the military's campaign against terrorists and their sympathizers.

The anti-terrorist drive has been conducted in a ruthless manner, similar to, but more effective than, the guerrilla war waged by leftist groups such as the Montoneros and the People's Revolutionary Army. Newspapers here estimate that more than 2,000 people have been killed by leftist terrorists since 1976 while human rights groups estimate that between 8,000 and 20,000 Argentines have disappeared since the military seized power two years ago.

It is believed that most of those listed as missing were taken by military squads. Many of those who disappeared in this way are thought to be dead. Prominent among those who have been arrested or have disappeared are many intellectuals, journalists, students with no apparent connection to leftist terrorists.

The military blames these people for providing the intellectual framework or climate in which terrorism flourished. Timerman has come to symbolize for both the Argentine military and the outside world—the intellectual targets of the anti-terrorist campaign here.

The Carter administration has taken a special interest in the human rights situation in Argentina as well as in the Timerman case. President Carter personally expressed his concern about Timerman's fate when Videla was in Washington last September for the Panama Canal treaty signings. The U.S. embassy in Buenos Aires keeps abreast of the case.

arg

Alleged Financier Of Guerrilla Group Is Indicted in N.Y.

By Charles R. Babcock

Washington Post Staff Writer

The alleged financier for a group of Argentine terrorists was indicted yesterday in New York in connection with a swindle of more than \$30 million. He was reportedly killed in a 1976 plane crash, but is believed to be alive.

David Graiver, the supposedly dead South American financier and four other officials of the now defunct American Bank and Trust Co. of New York were charged by a state grand jury with conspiracy, misappropriating funds and falsifying bank records in an international financial scheme involving six countries.

Manhattan District Attorney Robert M. Morgenthau said that most of the funds involved were loaned from the New York bank to a Belgian bank to a number of companies controlled by the Graiver family.

Graiver was identified as having been killed in a plane crash in Mexico in August 1976, just before New York state banking authorities closed American Bank and Trust. He is said to have invested millions of dollars in buying into that bank.

Stephen Shiffrin, an assistant district attorney in Morgenthau's office, said in a telephone interview yesterday that the grand jury had reason to believe that Graiver is still alive. "We're too busy up here to go around indicting dead men," he said.

He refused to disclose the evidence that showed Graiver was alive. "We're looking for the man. We can't comment on our leads. That might spook him," Shiffrin said.

Graiver's alleged connections with the Montoneros guerrilla group caused a sensation in Argentina a year ago. The ruling junta began circulating stories that he served as a banker and investment counselor for the guerrillas.

It was charged that he took Montonero money from bank robberies and kidnap ransoms and invested it in banks overseas.

He even paid the guerrillas monthly dividends to bankroll their continuing operations, the junta alleged.

Shiffrin declined to say whether the New York investigation uncovered evidence that Graiver was laundering any guerrilla money through the New York bank to investments in Belgium and other countries.

All that is unrelated to the charges, he said. "We don't say in the indictment where the money came from or what happened to it after it left the bank."

The indictment charges specifically that Graiver and other officials of the New York bank illegally made a series of loans to Graiver-controlled entities in excess of amounts permitted by state banking laws.

Indicted with Graiver were Saul Kagan, Jean Wolf, Edmund A. Fleckenstein and Torleif Benestad, all officials of the New York bank.

The investigation began in August 1976, with the collapse of American Bank and Trust, said to be the fourth largest bank failure in U.S. history.

The Belgian bank involved, Banque Pour l'Amerique du Sud (BAS), was owned by Graiver and his father. It, too, went bankrupt, and its top official has been charged with related financial crimes in Belgium.

When the allegations of guerrilla connections surfaced last year, members of Graiver's family in Argentina were arrested.



DAVID GRAIVER

... was reported killed

*File
Argentina*

~~CONFIDENTIAL~~
Department of State

INCOMING
TELEGRAM

PAGE 01 BUENOS 02762 122151Z
ACTION ARA-14

4548

BUENOS 02762 122151Z

INFO OCT-01 ISO-00 PM-05 NSC-05 SP-02 SS-15 CIAE-00
DODE-00 INR-10 NSAE-00 PA-01 ICA-11 IO-13 HA-05
MCI-01 SY-05 /088 W

-----108087 122159Z /61

P 121944Z APR 78
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC PRIORITY 5300

~~CONFIDENTIAL~~ BUENOS AIRES 2762

E.O. 11652: GDS

TAGS: SHUM, AR
SUBJECT: MORE ON THE SAN JUSTO ABDUCTIONS

REF: BUENOS AIRES 2589

1. WE HAVE LEARNED FURTHER DETAILS OF THE INCIDENT IN WHICH DR. RUAL EDUARDO PETROUCH AND HIS FIANCEE ELISA MORENO WERE ABDUCTED OUTSIDE THE CATHEDRAL OF SAN JUSTO ON MARCH 26, AND OF EVENTS FOLLOWING.

2. A RELIABLE SOURCE HAS INFORMED US THAT ELEVEN PERSONS WERE SEIZED UPON LEAVING THE CHURCH, THE SPECIAL INTENTION OF THE MASS CELEBRATED THAT EASTER SUNDAY EVENING AT 1900 (AN HOUR LATER THAN REPORTED REFTEL) WAS AVOWEDLY "POLITICAL": PRAYERS FOR "PODER EJECUTIVO NACIONAL" PRISONER CIRILA BENITEZ, FURTHER RESEARCH INDICATES THAT MRS. BENITEZ, A PARAGUAYAN JAILED SINCE MARCH OF 1976 WHOSE ARGENTINE HUSBAND ESCAPED THE SECURITY ROUND-UP THAT NETTED HIS WIFE, IS CURRENTLY BEING HELD AT VILLA DEVOTO BUT HAD BEEN MARKED FOR EXPULSION. THE NETHERLANDS HAD AGREED TO RECEIVE MRS. BENITEZ BUT TROUBLE DEVELOPED WHEN IT WAS DISCOVERED THAT HER CHILDREN ARE FOR TECHNICAL-LEGAL REASONS NOT TO BE ALLOWED TO LEAVE ARGENTINA. IT HAD BEEN ARRANGED THAT THE SAN JUSTO MASS BE SAID FOR THIS FAMILY. (COMMENT: UNHCR DIRECTOR KEVIN LYONETTE TOLD US 4/11 THAT MRS. BENITEZ HAD AT LAST ACCEPTED EXPULSION FROM ARGENTINA, EVEN THOUGH HER CHILDREN'S DEPARTURE HAS STILL NOT BEEN RESOLVED.)

3. WE HAVE A SUBSEQUENT REPORT WHICH WE HAVE NOT BEEN ABLE TO VERIFY THAT THREE DAYS AFTER THE MASS (MARCH 29) A LARGE GROUP OF SECURITY PEOPLE DRESSED IN CIVILIAN CLOTHES FIRST ABDUCTED A NEIGHBORHOOD LEADER AND LATER IN THE DAY RAIDED THE OFFICE OF A DOCTOR IN THE "CIUDAD GENERAL BELGRANO" AREA ADJACENT TO SAN JUSTO. THE DOCTOR RECEIVED A GUNSHOT WOUND IN THE LEG DURING ABDUCTION. DURING THE FRACAS A GROUP OF NEIGHBORS ASSEMBLED TO PROTEST. SHOTS WERE FIRED OVER THEIR HEADS, AND AS SECURITY CARS PULLED AWAY--TAKING THE DOCTOR AND HIS WIFE--SOME OF THE NEIGHBORS PILED INTO A CAR AND FOLLOWED. THE DOCTOR, HIS WIFE AND THE OCCUPANTS OF THE PURSUING CAR HAVE NOT BEEN SEEN SINCE.

4. TWO OTHER ABDUCTIONS OF PHYSICIANS HAVE BEEN REPORTED TO US WHICH APPEAR TO BE RELATED TO THE EVENTS IN SAN JUSTO AND CIUDAD GENERAL BELGRANO: DR. HILDA NORMAL ERENU DE LIWSKI WAS ABDUCTED ON APRIL 5, TAKEN FROM AN AMBULANCE NEAR THE CLINIC WHERE SHE WORKED IN THE FEDERAL CAPITAL. HER HUSBAND, DR. NORBERTO IGNACIO LIWSKI, IS BELIEVED BY HIS PARENTS TO HAVE BEEN ABDUCTED THE FOLLOWING DAY. BOTH DOCTORS LIWSKI WERE OPENLY AND FOR A LONG TIME MEMBERS OF THE "PARTIDO COMUNISTA

REVOLUCIONARIO" (NORBERTO A CENTRAL COMMITTEE MEMBER) WHO WORKED AS VOLUNTEERS IN THE POOR "CIUDAD GENERAL BELGRANO" DISTRICT. (PCR IS NOT A LEGAL PARTY & IS REGARDED BY GOA AS SUBVERSIVE) NORBERTO LIWSKI'S MOTHER AND FATHER WERE TOLD BY ONE OF HIS FRIENDS THAT NORBERTO WAS TO HAVE ATTENDED A MEETING IN THAT AREA OF THE CITY SHORTLY AFTER EASTER, BUT WAS WARNED BY ANOTHER FRIEND TO STAY AWAY SINCE THERE HAD BEEN TROUBLE FOR MEMBERS OF THE GROUP MEETING AS A RESULT OF THE MASS FOR CIRILA BENITEZ. ANOTHER APPARENT LINKAGE OF THE LIWSKI DISAPPEARANCES WITH THE SAN JUSTO EVENTS IS THAT THE AMBULANCE DRIVER SEIZED AT THE SAME TIME HILDA NORMAL ERENU DE LIWSKI WAS TAKEN WAS SUBSEQUENTLY LET GO ON A STREET IN SAN JUSTO.

5. THE AREA IN QUESTION IS UNDER THE SECURITY CONTROL OF THE THIRD REGIMENT OF THE TENTH BRIGADE OF THE FIRST ARMY CORPS. WE KNOW OF RAIDS BY ONE SECURITY ARM THAT TAKE PLACE IN THE TERRITORY OF ANOTHER, BUT THE PATTERN OF EVENTS AT SAN JUSTO RAISES THE SUGGESTION AT LEAST THAT PERSONS GEOGRAPHICALLY ATTACHED TO THE ZONE CARRIED OUT THE ABDUCTIONS. REGULAR PROVINCIAL POLICE FORCES IN SAN JUSTO HAVE THE REPUTATION ALSO OF BEING UNCOMMONLY TOUGH OPERATORS.

6. EMBASSY HOPES TO HAVE FURTHER DETAILS ON THE SAN JUSTO ABDUCTIONS EARLY NEXT WEEK.
CASTRO

Wag

~~CONFIDENTIAL~~

UNCLASSIFIED
~~LIMITED OFFICIAL USE~~
Department of State

INCOMING
TELEGRAM
7322

PAGE 01

BUENOS 02656 101825Z

ACTION SY-05

INFO OCT-01 ARA-10 ISO-00 MCT-01 EB-08 COME-00 CIAE-00
INR-10 NSAE-00 SCS-06 /041 W

-----072622 110210Z /73

R 101741Z APR 78

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 5250

~~LIMITED OFFICIAL USE~~ BUENOS AIRES 2656

File Argentina

E.O. 11652: N/A

TAGS: ASEC, AR

SUBJECT: TERRORISM INVOLVING U.S. BUSINESS INTERESTS

REF: STATE 074011

1. ON 4-3-78, A/RSO MET WITH SENIOR SECURITY OFFICIAL CONCERNING A RAID CONDUCTED ON 3-3-78 BY SECURITY FORCES. THE RAID WAS CONDUCTED IN THE SOUTHWEST AREA OF BUENOS AIRES NEAR FLORENCIO VARELA WHICH IS A HEAVILY INDUSTRIALIZED AREA. DURING THIS RAID ONE TERRORIST, WAR NAME VASCO, THE SECTION LEADER OF THE FIRST SECTION OF THE 25TH COLUMN OF THE MONTONEROS WAS KILLED. SECURITY FORCES CONFISCATED A GRENADE LAUNCHER, A FAL AUTOMATIC RIFLE, A MIMEOGRAPH MACHINE, PROPAGANDA PAMPHLETS AND A LIST OF ABOUT 15-20 COMPANIES, INCLUDING AMERICAN CYANAMID AND ABBOTT LABS. BOTH OF THESE COMPANIES ARE LOCATED IN THIS GENERAL AREA. SOURCE STATED THERE WAS NO EVIDENCE OF ANY TERRORIST PLANS AGAINST THE LISTED COMPANIES OR THEIR EXECUTIVES. HOWEVER, TERRORISTS CURRENTLY RETAIN THE CAPACITY FOR ATTACKS AGAINST SOFT TARGETS. CASTRO

~~CONFIDENTIAL~~

Department of State

INCOMING
TELEGRAM

PAGE 01 BUENOS 02661 101852Z
ACTION ARA-14

7385

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11
SY-05 MCT-01 /074 W

-----072853 110225Z /63

R 101809Z APR 78
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC 5252

~~CONFIDENTIAL~~ BUENOS AIRES 2661

E. O. 11652 GDS
TAGS ASEC, PINS, AR
SUBJECT EXPLOSION IN PRECINCT STATION -- RESURGENCE OF TERRORISM?

*File
Argentina*

1. BUENOS AIRES NEWSPAPERS 4/7 GAVE PROMINENT COVERAGE TO AN EXPLOSION BETWEEN ONE AND 2 AM ON THE MORNING OF APRIL 6 IN THE 47TH PRECINCT OF THE FEDERAL CAPITAL IN WHICH THE PRECINCT DEPUTY POLICE CHIEF AND ONE OTHER OFFICER WERE KILLED. TWO OTHER PERSONS WERE GRAVELY INJURED. ALTHOUGH FEDERAL POLICE CHIEF OJEDA ORIGINATED AN INVESTIGATION, ACCORDING TO NEWSPAPER ACCOUNTS, SUBSEQUENT INVESTIGATIONS WERE TURNED OVER TO MILITARY AUTHORITIES. NO OFFICIAL REPORT WAS ISSUED. PRESS ACCOUNTS ATTRIBUTED THE EXPLOSION TO A HAND GRENADE ON THE PERSON OF A SUSPECT WHO HAD BEEN BROUGHT TO THE STATION FOR QUESTIONING.

2. POLICE SOURCES (PROTECT) INFORMED RSO THAT SUSPECT HAD BEEN PICKED UP IN A BAR IN THE 45TH PRECINCT. AT THAT TIME HE WAS ACCOMPANIED BY AN OFFICER OF THE FEDERAL POLICE. HE WAS BROUGHT TO THE 47TH PRECINCT FOR QUESTIONING CONCERNING INFORMATION THAT ON PREVIOUS OCCASIONS HE HAD POSSESSION OF EXPLOSIVES AND AUTOMATIC WEAPONS IN HIS VEHICLE. THE FEDERAL POLICE OFFICER WITH SUSPECT IDENTIFIED HIM AS A MEMBER OF THE MILITARY AND WARNED ARRESTING OFFICERS TO HANDLE HIM CAREFULLY. CONSEQUENTLY, ALTHOUGH HE WAS BROUGHT TO THE 47TH POLICE PRECINCT, HE WAS NOT SEARCHED. AT THE PRECINCT, HE IDENTIFIED HIMSELF AS A CONTACT EMPLOYEE OF SIDE (SERVICIO DE INFORMACIONES DEL ESTADO - INTELLIGENCE). HE WAS ESCORTED TO THE OFFICE OF THE SUBCOMISARIO OF THE PRECINCT. SHORTLY AFTER THAT AN EXPLOSION OCCURED, KILLING THE SUBCOMISARIO, ONE OTHER OFFICER AND SERIOUSLY INJURING THE SUSPECT AND ONE OTHER PERSON. POLICE SPECULATE THAT THE EXPLOSION OCCURED WHEN SUSPECT OR HIS BAG WAS BEING SEARCHED AND ATTRIBUTE IT MOSTLY LIKELY TO AN ACCIDENT.

3. POLICE IN OFFICIAL CIRCLES ARE PUSHING THE STORY THAT SUSPECT WAS A MEMBER OF THE ERP WHO WAS BROUGHT IN FOR QUESTIONING. THIS MAY BE NECESSARY AS A COVER STORY AND ALSO TO ENSURE THAT THE DECEASED POLICE OFFICERS' FAMILIES RECEIVE FULL INSURANCE FOR PENSION BENEFITS. HOWEVER, OUR SOURCES REASSURED US THIS WAS NOT TRUE AND THAT SUSPECT WAS IN FACT A CONTRACT EMPLOYEE OF SIDE.

4. RSO COMMENT: ALL ARGENTINE SECURITY SERVICES OFTEN UTILIZE CONTRACTUAL PEOPLE TO HANDLE SPECIAL OPERATIONS. THESE PERSONS SOMETIMES WORK WITH SECURITY IDENTIFICATION AND ARE RECRUITED FROM MANY DIFFERENT WALKS OF LIFE. THESE CONTRACT PERSONS NORMALLY WORK UNDER THE DIRECT SUPERVISION OF MEMBERS OF THE SECURITY SERVICES. HOWEVER, ON NUMEROUS OCCASIONS THEY HAVE BEEN INVOLVED IN MOONLIGHTING INCIDENTS SUCH AS KIDNAPPINGS, EXTORTIONS AND MURDERS FOR PROFIT. ELIMINATING THE CRIMINAL ACTIVITIES OF THESE CONTRACTUAL PEOPLE HAS BEEN A CONCERN TO THE SECURITY FORCES.
CASTRO

~~UNCLASSIFIED~~
~~LIMITED OFFICIAL USE~~
Department of State

INCOMING
TELEGRAM

PAGE 01 BUENOS 05943 021403Z
ACTION ARA-14

0734

INFO OCT-01 ISO-00 HA-05 10-13 TRSE-00 CIAE-00 DODE-00
PM-05 H-01 INR-10 L-03 NSAE-00 PA-01 SP-02 SS-15
NSCE-00 SSO-00 ICAE-00 INRE-00 MCT-02 SY-05 SYE-00
CCO-00 /077 W

-----046865 021414Z /44

O 021350Z AUG 78
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC NIACT IMMEDIATE 6785

~~LIMITED OFFICIAL USE~~ BUENOS AIRES 5943

E.O. 11652: N/A

TAGS: SHUM, AR

SUBJECT: BOMBING OF NAVY CHIEF OF STAFF'S RESIDENCE

1. OFFICIAL COMMUNIQUE ON THE BOMBING IN WHICH AT LEAST THREE PERSONS DIES AND MORE THAN TEN WERE WOUNDED NOTED POINTEDLY THAT INTERNATIONAL ORGANIZATIONS AND COUNTRIES "WHICH CALL THEMSELVES DEFENDERS OF HUMAN RIGHTS" HAVE NOT "RAISED THEIR VOICES" TO PROTEST THESE INNOCENT DEAD. THE POINT WAS EMPHASIZED REPEATEDLY TUESDAY NIGHT IN A SERIES OF RADIO AND TV COMMENTARIES.

2. IN VIEW OF THE USG'S WORLDWIDE STANCE AGAINST TERRORISM, WE SUGGEST THAT THE DEPARTMENT SPOKESMAN MAKE A STATEMENT ON THE SUBJECT TODAY. I BELIEVE THAT IF WE ARE TO RETAIN CREDITABILITY AND EFFECTIVELY PURSUE OUR HUMAN RIGHTS OBJECTIVES IN ARGENTINA WE MUST GO ON RECORD AS OPPOSING TERRORIST AS WELL AS GOVERNMENT ACTIONS WHICH OFFEND OUR HUMAN RIGHTS POSITION. DECONTROL UPON RECEIPT.
CASTRO

~~LIMITED OFFICIAL USE~~